

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2092 - SB 2510

February 20, 2020

SUMMARY OF BILL: Authorizes Davidson County to utilize surplus revenues collected from a certain privilege tax for county purposes.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – A permissive shift in surplus revenues up to \$3,020,600 within Davidson County from debt service to other county purposes.

Assumptions:

- Pursuant to Tenn. Code Ann. § 7-4-203:
 - Davidson County is authorized to charge contracted vehicles existing the public airport a privilege tax of \$2.00 upon each exit;
 - Davidson County is required to utilize such revenues to pay debt service requirements associated with the Convention Center;
 - If revenues from the privilege tax exceed the requirements in any given fiscal year, such surplus revenues are deposited into a fund for use on future debt service requirements; and
 - Once the Convention Center debt service is paid in full, the privilege tax ceases to be levied.
- The proposed language does not alter the current rate or expand applicability of such privilege tax; therefore local revenue from assessment of such tax will not be impacted.
- According to Davidson County, in FY18-19 total revenues from the privilege tax were \$3,020,636. Since assessment, all revenues collected from the privilege tax have been applied directly to the Convention Center debt service or other uses consistent with the bond agreement.
- In the event surplus revenues are shifted within Davidson County, in any given fiscal year the privilege tax is in existence, it is estimated to be less than \$3,020,636.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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